

CHAPTER 2: THE NATURE OF STRATEGIC MANAGEMENT, WITH SPECIFIC REFERENCE TO THE EXTERNAL ENVIRONMENTAL ANALYSIS OF TEACHER TRAINING COLLEGES

2.1 INTRODUCTION

The challenges and conditions facing educational organizations have changed significantly in the recent past. Under pressure from environmental factors, educational institutions must adapt to changing circumstances and at the same time, influence the environment of which it is a part (Basson *et al.*, 1991:646). Currently most people involved in education - teachers, learners, parents, board members, employers, administrators and community constituents - realize that radical change in education is a critical necessity. Students, societies, communities and values have changed substantially in recent years, but the education systems are still the ones designed for students and communities of years ago (Kaufman & Herman, 1991:xv). Rethinking, restructuring and revitalizing the education system are vitally important if education is to be legitimate and acceptable in the eyes of its clients in the future.

There can be two kinds of a future for education in South Africa. Drifting into the future without setting a proper course is reactive and passive as it involves a reliance on luck to turn things around in a positive way. Opposed to the passive future, institutions could adopt a pro-active approach with the intention of creating a better future by taking note of prevailing trends and challenges and by taking advantage of emerging opportunities in their external environments.

Due to the fact that educational institutions have not been viewed as likely candidates for strategic management, these institutions have done little more than react to environmental pressures in the past (Carlson & Ackerman, 1991:160). A systematic attempt to redesign the structure, strategy and management style of an educational institution in such a way that it will be able to adjust to changes in the external environment and that it will be able

to achieve new goals in future, is vitally important during times of change (Beckhard & Harris, 1987:3).

During a phase of transformation, as it is currently being experienced in South Africa, educational organizations can apply strategic management as a management tool, in order to be pro-active, to survive and to prosper in the future (Dippenaar, 1994:16). Strategic management, if done correctly, is not very different with regard to varying contexts, as people are people and organizations are organizations. The key difference lies in where the organization is heading and who its basic clients and beneficiaries are (Kaufman & Herman, 1991:xiii). Knowledge of the characteristics of strategic management as well as the vital role of an external environmental analysis, aimed at structuring possible future education scenarios is, therefore, essential for the strategic repositioning of educational institutions during times of change.

In order to assist the management teams of teacher training colleges with the process of strategic repositioning for a better future, an analysis of strategic management and the vital role of an external environmental analysis will be undertaken in this chapter.

2.2 MANAGING CHANGE

Strategic management is a conscious process by means of which an educational organization can evaluate its current state and the likely future condition of its environment, can identify possible future states for itself and can change and develop strategies, policies and procedures accordingly.

Recently the external environments of educational organizations have become uncertain and even hostile. Having a societal connection and being in constant interaction with the environment, the education system is continuously changing in form and content. The usefulness of traditional planning processes and their failure to produce implemented plans are being questioned

increasingly and there is a growing awareness that the more relevant criterion of organizational effectiveness is that of adaptability to changes in the environment. The forces requiring organizational change can originate either from outside or inside the organization.

2.2.1 THE FORCES REQUIRING CHANGE

Basson *et al.*, (1991:650) divides the factors that influence change in educational organizations into external environmental factors and internal factors within the organization itself. Changes in legislation, the availability of resources, market demands, the development of technology and social priorities often necessitate organizational managers to redesign the organizational structure and procedures, to redefine priorities and to redeploy resources (Beckhard & Harris, 1987:30). If renewal does not occur continuously, the organization may become irrelevant, because it does not stay on top of the changed needs of the community (Basson *et al.*, 1991:650).

To manage change effectively, organizations need to establish a vision of what the organization should look like and a direction towards realising that vision. Adequate early attention to define the desired end states in terms of the change - both the ultimate vision and the interim future state (midpoint goal) - leads to more successful change results. Without a clear sense of the organization's identity and a clear sense of the organization's interdependency with its external environment, change cannot be managed effectively (Beckhard & Harris, 1987:45).

2.2.2 CONDITIONS OF CHANGE

Any major organizational change should involve three distinct conditions: the future state, that the leadership wants the organization to reach; the present state, where the organization currently is; and the transitional stage, the set of conditions that the organization must undergo to move from the present to the desired future state. In managing the overall process of change, it is

equally important to determine the major tasks and activities of the transitional period as well as the structures and management mechanisms for accomplishing those tasks. An activity or change plan, specifying the crucial actions and activities of the transitional period, needs to be laid out systematically and must be monitored through a control system.

Although planned change causes disruptions, such a programme is undertaken, because of environmental changes threatening the organization's survival and growth (Stoner & Freeman, 1992:408-410). Renewal implies change, uncertainty and insecurity which often lead to opposition and resistance from staff members. During the period of change, a management system that creates the least tension with the ongoing system and structure and the most opportunity to develop and facilitate the new system for the transitional period, is most appropriate. According to Basson *et al.* (1991:646), the manager of an educational organization plays a strategic role in any change which occurs, whether as an initiator or as a supporter. Active involvement and support from the manager of an educational organization give some prestige to the changes taking place within the organization and stimulate a feeling of dedication among the participants in the process of change.

A strategic approach to the management of change is, thus, needed for a systematic attempt to redesign an educational organization in such a way that it will prosper in the future.

2.2.3 CHANGE AND STRATEGIC MANAGEMENT

Business corporations have adopted strategic management to respond to changes in their external environments. Many educational planners argue that educational organizations are so different from business-, profit and market-orientated corporations that strategic management processes are totally inappropriate. Carlson and Awkerman (1991:165) differ from this view in that they see educational organizations, like all other organizations, having a budget to manage, staff and clients (students) to organize, resources to allocate,

funding sources to develop, expenditures to control and decisions to make which will affect its future. These functions are all amenable to strategic management.

According to Beckhard and Harris (1987:26), effective organizations operate in a learning mode. It sees itself as always being in process, continually assessing the current state of things and consciously developing strategies for future improvement.

Thompson and Strickland (1987:2) describe strategy as management's game plan for success, as it is a method for improving organizational payoffs and consequences in the light of competition, obstacles or adversity (Kaufman & Herman, 1991:12). For the optimist, it is an opportunity for making an impact on effecting some changes in the future of educational practices.

It is, therefore, essential that educational organizations and their management teams should have a conceptual understanding of strategic management.

2.3 STRATEGIC MANAGEMENT

2.3.1 THE ORIGIN OF STRATEGIC MANAGEMENT

Strategic management was born amid huge optimism and industrial growth in the 1960's and early 1970's. Initially, organizations tried to cope with the new and, at the same time, rapidly-changing economic, technological and organizational developments by means of some form of long-range planning. Long-range planning, in its initial form, soon ran into numerous problems when it became evident that simply forecasting past events into the future could not always provide accurate results, nor achieve the organization's desired objectives (Burnes, 1992:90). Organizations needed to transform strategic planning into a vital management discipline (Porter, 1987:1).

Consequently, long-range planning has been replaced by strategic management, which incorporates the possibility that changes and trends can and do occur and it is not based on the assumption that development can be assured (Burnes, 1992:91). Whereas long-range planning was essentially concerned with plotting trends and planning actions to achieve identified targets, all of these aimed at financial goals and budgetary controls, the focus of strategic management is on environmental assumptions that underlie market trends (Burnes, 1992:91).

2.3.2 DEFINING STRATEGIC MANAGEMENT

Strategic management is a conscious process by which an organization assesses its current position and the most probable future condition of its environment, identifies possible future states for itself and then develops organizational strategies, policies and procedures to achieve the desired future state (Hartshorn, 1992:1).

Strydom (1991:viii) defines strategic management as an "effort to make this year's decisions more intelligent by looking toward the probable future in coupling the decisions of the organization to an overall institutional strategy". According to Strydom (1991:viii), strategic management may be viewed as the process of determining how to reach the institution's long-term goals with the resources expected to be available, it involves the major strategic issues of an organization and it must meet certain criteria which include the relationship between the organization and its external environment and the involvement of the institution, as a whole, in decision-making. Strategic management concentrates on the fate, survival and growth of the organization and its leaders are actively involved in advancing positive organizational change toward quality and quality assurance.

Strategic management is described by Kaufman and Herman (1991:41) as an outside-in as well as an inside-out process which scans current realities and opportunities in order to develop useful strategies and tactics for the future.

The strategic management approach emphasizes a long-range focus on creating adjustment to major external environmental changes, the totality of the organization's wellbeing as a social, political and economic entity and the identification of management itself with the formulation and implementation of strategic choice decisions throughout the educational organization (Carlson & Awkerman, 1991:164).

Kells (1988:2) argues that the strategic management approach meets the requirements of a process in which self-evaluation can form part of the ongoing life of an educational institution. By treating the processes of analysis and self-evaluation as integral components of strategic management, the benefits to be derived from both can be synergistically combined.

Strategic management can, thus, be described as the ongoing process of ensuring a competitively superior fit between an educational institution and its ever changing environment. It involves a pattern of decisions in an organization that determines and reveals its objectives, purposes, goals, policies and plans for achieving those goals. It is externally directed, deals with "macro" issues, is a continuing process dictated by forces in the environment that occur within an irregular timeframe, deals with fairly high levels of uncertainty and values expert judgement.

Although strategic management is widely defined as an ongoing process of shaping the future of educational organizations, Kaufman and Herman (1991:4) emphasize that strategic management should be results-oriented and should, thus, focus on results not currently achieved by the actions of the educational organization.

2.4 LEVELS OF RESULTS-BASED AND RESULTS-ORIENTED STRATEGIC MANAGEMENT

Strategic management can be targeted at several levels: the learner and the educators, the educational agency, program or entire curriculum or the society

and community of which the organization is a part. In order to determine different varieties of strategic management, those who actually benefit from the organization's results have to be identified. Possible beneficiaries of education could include society, the education system, the entire organization, teachers, parents and students (Kaufman & Herman, 1991:4).

Kaufman and Herman (1991:4) distinguish three basic orientations to strategic management, depending on who the primary clients and beneficiaries of the educational organization are. Mega-level strategic management is targeted at the society and community that the organization serves. Macro-level strategic management focuses on the organization itself as the primary client, and micro-level strategic management concentrates on an individual or small group as the beneficiary.

An organization that chooses the organization itself as the primary client, will look from within the organization towards the outside, into the operational world in which students graduate and where citizens live and work. The inside-out approach is reactive, since usually the current mission, goals, purposes and activities of the organization are projected forward in time (Carlson & Awkerman, 1991:164).

Organizations focusing on the benefit of society as the primary client and beneficiary, looks into the organization from outside and then back into the organization's results and efforts. According to Kaufman and Herman (1991:8), this approach is primarily pro-active as it continuously challenges the *status quo* and identifies new purposes and pay-offs.

Most educational organizations view the organization's continuation, wellbeing and growth as the central focus of strategic management, and few of these institutions have, in the past, adopted an approach through which the current and future good of society are the primary focus of attention (Kaufman & Herman, 1991:6). According to Carlson and Awkerman (1991:183), education and educational organizations are clearly means to societal ends.

Based on this argument, Kaufman and Herman (1991:13) urge organizations to focus on mega-level strategic management during times of fundamental changes in the external environment of educational institutions, as this will lead to societal payoffs.

The most important characteristics of successful strategic management are the selecting, creating and maintaining of results-orientation. For each different client and beneficiary of the educational organization there is a specific type of result that must be achieved. Results at the mega-level are known as outcomes, results at the macro-level are referred to as outputs and results at the micro- level are termed products (Carlson & Awkerman, 1991:193).

The three types of results, along with inputs and processes, are elements of a larger framework developed by Kaufman and Herman (1991:23). The "Organizational Elements Model" (Figure 2.1) relates what organizations do, what they deliver and what the consequences of the results are.

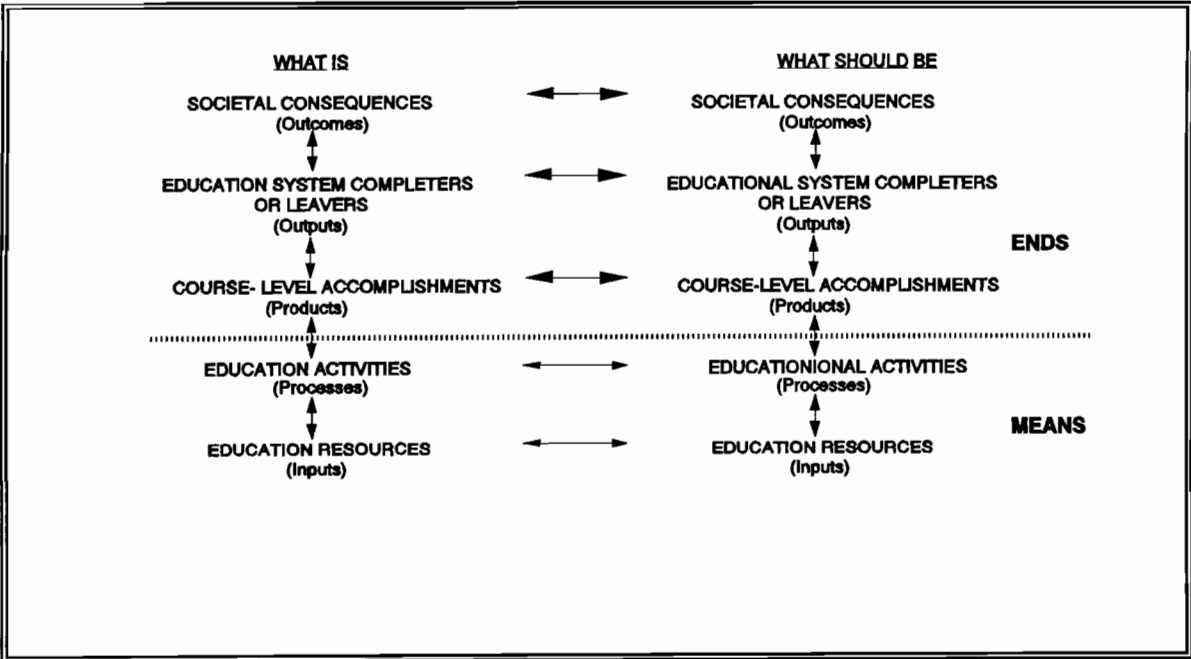
Figure 2.1: The "Organizational Elements Model": (Kaufman & Herman, 1991:23)

	INPUTS (raw materials)	PROCESSES (how-to-do-its)	PRODUCTS (en-route-results)	OUTPUTS (the aggregated products of the educational system which are delivered or deliverable to society)	OUTCOMES (the effects of outputs in and for society and the community)
E	Ingredients, existing human and educational resources; existing needs, goals, objectives, policies, board regulations, laws, money, values, societal and community characteristics, quality of life.	Educational means, methods, procedures; "excellence programs"; voucher plans, in-service training; teaching; learning; mediating; managing.	Course completed; competency test passed; competency acquired; learner accomplishments; teacher accomplishments; the educational building blocks.	Graduates; program completers; job placements; certified licensees; etc.	Self-sufficient, self reliant, productive individual; socially competent and effective; contributing to self and to others; no addictive relationship to others or to substances; financial independence.
X					
A					
M					
P					
L	INTERNAL (Organization)				EXTERNAL (Societal)
E	Organizational Efforts		Organizational Results		Societal Results/Impacts
S					
C					
L					
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T					
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Five organizational elements (outcomes, outputs, products, processes and inputs) operate in the three domains: organizational efforts (things that organizations do and use), organizational results (the things that organizations produce) and societal impacts (the consequences). Each organizational element relates to the other elements as organizational efforts (inputs and processes), contributes to organizational results (products and outputs) and these, in turn, contribute to societal consequences and pay-offs (outcomes) (Kaufman & Herman, 1991:23). Diplomandi (outputs) who cannot be employed and who do not become accountable citizens, are testimonies of a failing education system. If any problem exists in the alignment between any of the elements, the system is at risk. When levels are integrated, it is likely that effective and efficient educational consequences will be achieved. Thus, a definite results chain exists between the different organizational elements.

The results chain, based on the gaps in results, has two dimensions: "What is?" and "What should be?" (Figure 2.2).

Figure 2.2: A results chain: (Kaufman & Herman, 1991:3)



By using this two-level model as an integral component of strategic management, an organization can plan to close the gap for any or all result levels. The "Organizational Elements Model" can, thus, be used to assure that all intended and essential elements are included in strategic management, that all elements interact with each other and that gaps in performance are identified and addressed.

Once an educational organization has determined its strategic management mode (mega, macro or micro-level), it must embark upon strategic management itself in order to systematically define and create strategies and tactics for the future benefit of education and its clients.

Examples of such strategic management models for educational organizations will now be discussed.

2.5 STRATEGIC MANAGEMENT MODELS FOR EDUCATIONAL ORGANIZATIONS

2.5.1 ORIENTATION

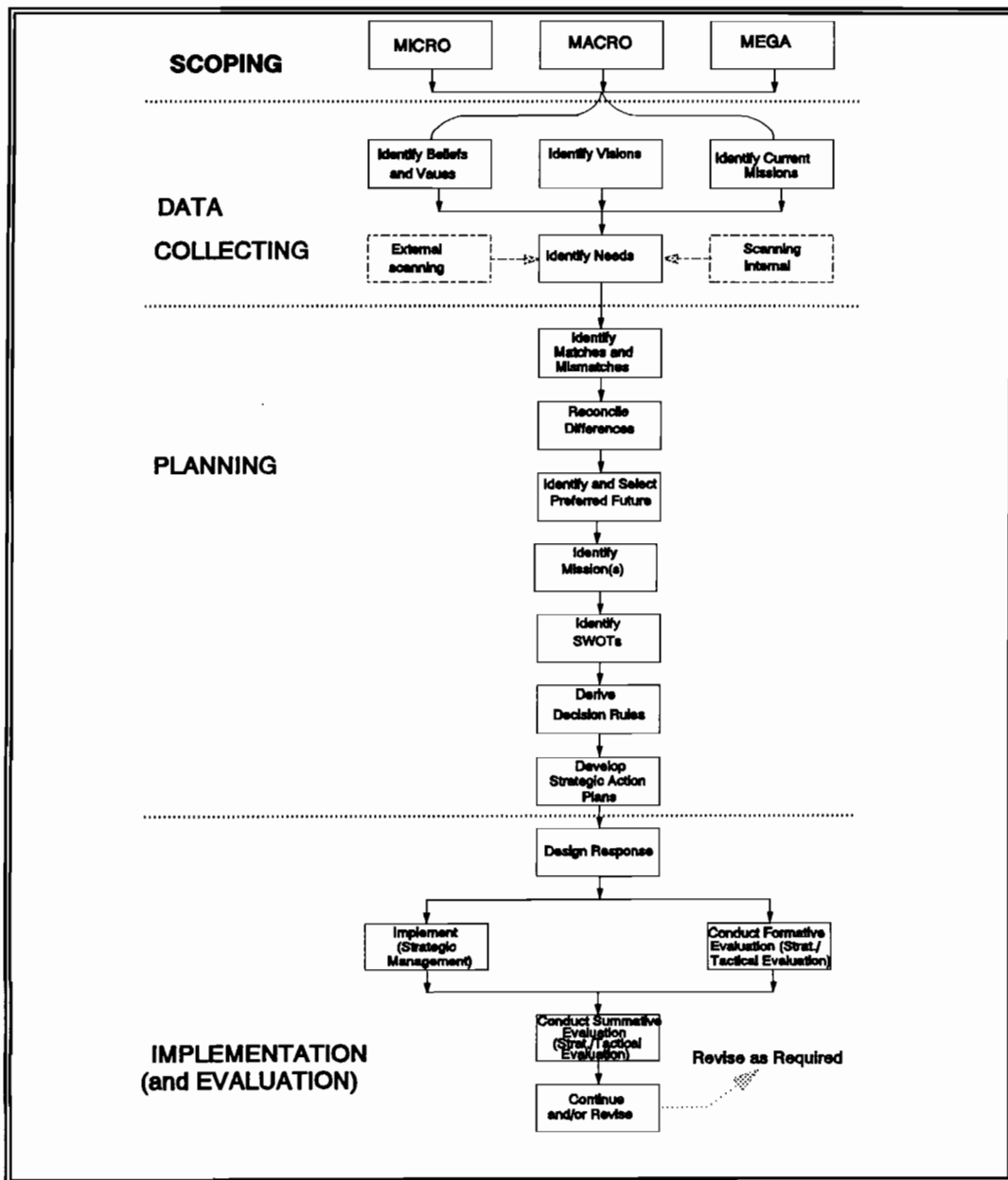
Strategic management in the world of business is mostly applied to define markets trends, to identify which products to sell, to determine what to expand, what to contract, what to reject and what to keep. Although education does not really operate in the free market place, there are some sources of competition, including other educational organizations, employer supplier courses, unconvinced legislators, indifferent government planners, private enterprise, increased pressure for financial conservatism and the changing values of society (Kaufman & Herman, 1991:16).

Because education is not a profit-driven business, it is necessary to modify and add to current models of strategic management. Three strategic management models for educational organizations will be discussed.

2.5.2 A STRATEGIC MANAGEMENT MODEL: KAUFMAN AND HERMAN (1991)

Kaufman and Herman (1991:42) developed a strategic management model which can be applied to any educational system (public and private) and level, from nursery school to higher education. The suggested model has four major clusters, namely: scoping, data collecting, planning and implementation and evaluation (Figure 2.3).

Figure 2.3: A strategic management model: (Kaufman & Herman, 1991:42)



2.5.2.1 Scoping

Educational organizations need to define the scope (size) of strategic management: mega, macro or micro-level management. Although there is constant interaction between and within the different levels of organizational management, Kaufman and Herman (1991:43) advise educational organizations to engage in mega-level strategic management which addresses both the reactive and proactive concerns of the organization. It does not only deal with what "is" and what "should be" but also adds the dimension of what "could be" as it focuses on existing needs and future opportunities (Kaufman & Herman, 1991:49).

2.5.2.2 Data collecting

Data collecting involves a number of steps which include: beliefs and values, visions, current missions and needs.

(a) Identifying beliefs and values

As the beliefs of individuals are strongly held and often unchallenged, the success of the entire strategic management process might hinge on people's ability and readiness to consider new philosophies about other people, society and education. Educational organizations should strive toward general values and beliefs shared by all members, if it wishes to be successful in strategic management (Kaufman & Herman, 1991:50).

(b) Identifying a vision

A vision, as a clear statement of what the organization desires to look like and to deliver in future, as well as a description of the educational and social environment in which it will function, must be developed. It should contain the basic elements of the whole system, including

society, the school or college system, parents, students, teachers and other important stakeholders (Kaufman & Herman, 1991:50).

(c) Identifying current missions

Strategic planning, as a component of strategic management, depends upon precise, measurable, valid and objective missions which state the purpose of the organization, together with the objectives and criteria for success (Kaufman & Herman, 1992:50).

(d) Identifying needs

Using the definition of a need as a gap in results, both the internal educational organization and the external society and community must be scanned for possible future and future opportunities (Kaufman & Herman, 1991:50).

2.5.2.3 Planning

The data that has been gathered must be used to determine where to go and how to develop a strategic plan.

Strategic planning entails the following steps:

(a) Identifying matches and mismatches

This step includes the integration of the results from the scoping phases for identifying things in common and for finding differences. It is important to integrate actual performance data with perceptions of planning partners (Kaufman & Herman, 1991:51).

(b) Reconciling differences

By using previous data and information, common ground, based on reality, must be found.

(c) Identifying and selecting a preferred future

The preferred future is selected, based upon the reconciled beliefs, visions, identified needs and existing missions. This step introduces a commitment to a new future direction (Kaufman & Herman, 1991:51).

(d) Identifying missions

A new mission statement, based on visions, beliefs and needs, must be written (Kaufman & Herman, 1991:52).

(e) Identifying strengths, weaknesses, opportunities and threats

In order to determine the organization's strengths, weaknesses, opportunities and threats, it is vitally important to scan both the internal and external environments of the organization (Kaufman & Herman, 1991:52).

(f) Deriving decision policies

Decision policies are necessary for all partners in the educational arena to have the same visions and intentions. Policies provide strategic goals and objectives with measurable criteria (Kaufman & Herman, 1991:53).

(g) Developing strategic action plans

The visions, needs, beliefs and missions are integrated and outcomes,

outputs and products are identified (Kaufman & Herman, 1991:53).

2.5.2.4 Implementation and evaluation

This step involves the actually putting the strategic plan into action to achieve the desired results. Formative and summative evaluation must be included in this phase of the strategic management process. Based on the evaluation, decisions are then made about either continuing the strategic plan or revising it when necessary (Kaufman & Herman, 1991:54).

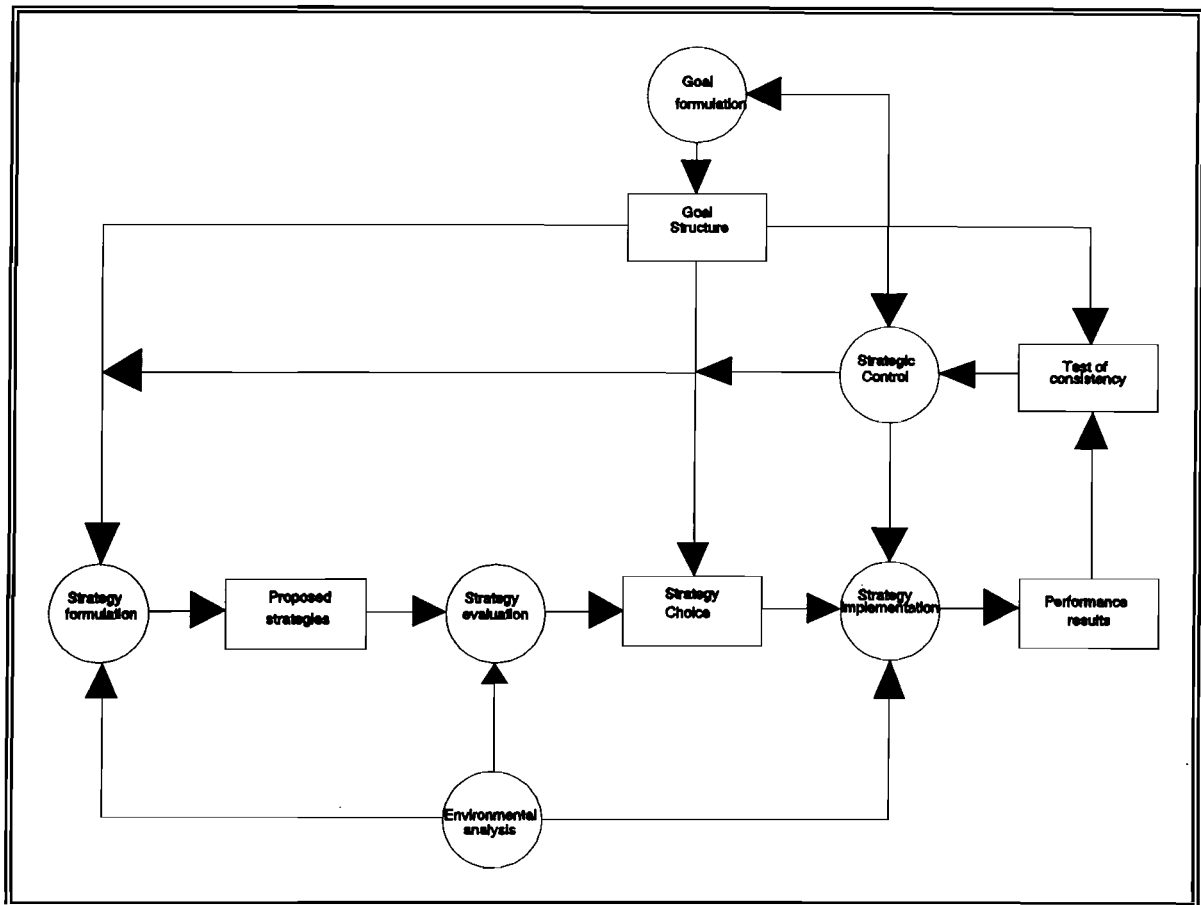
The strategic management model designed by Kaufman and Herman (1991) focuses on defining the primary client or beneficiary of an educational organization. It is based on results that are both measurable and valuable, and it accommodates people, values, individual differences and societies. It offers a rational approach, not dependent on people's intuition or instinct regarding strategic management.

2.5.3 THE STRATEGIC MANAGEMENT MODEL OF CLINE AND MERINGOLO (1991)

The strategic management model of Cline and Meringolo (1991:201) has been widely applied by non-profit-seeking organizations such as state agencies, urban organizations, colleges, universities and libraries. The model is based on their definition of strategic management as the process that deals with the entrepreneurial work of an organization, with organizational renewal and growth and, more particularly, with developing and utilizing the strategy which is to guide the organization's operations.

The strategic management process (Figure 2.4) consists of the following components: environmental analysis, goal formulation, strategy formulation, strategy evaluation, strategy implementation and strategic control.

Figure 2.4: The strategic management process: (Cline & Meringolo, 1991:204)



2.5.3.1 Environmental analysis

This component of the strategic process involves an investigation of the external environment which the educational organization does not control and which may influence its goals, strategy and structure (Cline & Meringolo, 1991:204).

2.5.3.2 Goal formulation

Goals are formulated according to the needs and relative power of the organization's various stakeholders (Cline & Meringolo, 1991:204).

2.5.3.3 Strategy formulation

As a result of the environmental analysis and goal formulation processes and tempered by the organization's internal strengths and weaknesses, the future strategy is formulated (Cline & Meringolo, 1991:205).

2.5.3.4 Strategy evaluation

Strategy evaluation is aimed at determining the position of the present strategy as well as its possibilities for the future (Cline & Meringolo, 1991:205).

2.5.3.5 Strategy implementation

A new strategy is implemented after the selection and evaluation of proposed future strategies (Cline & Meringolo, 1991:205).

2.5.3.6 Strategic control

Strategic control focuses on whether the new strategy is implemented as planned and whether the intended results are obtained (Cline & Meringolo, 1991:206).

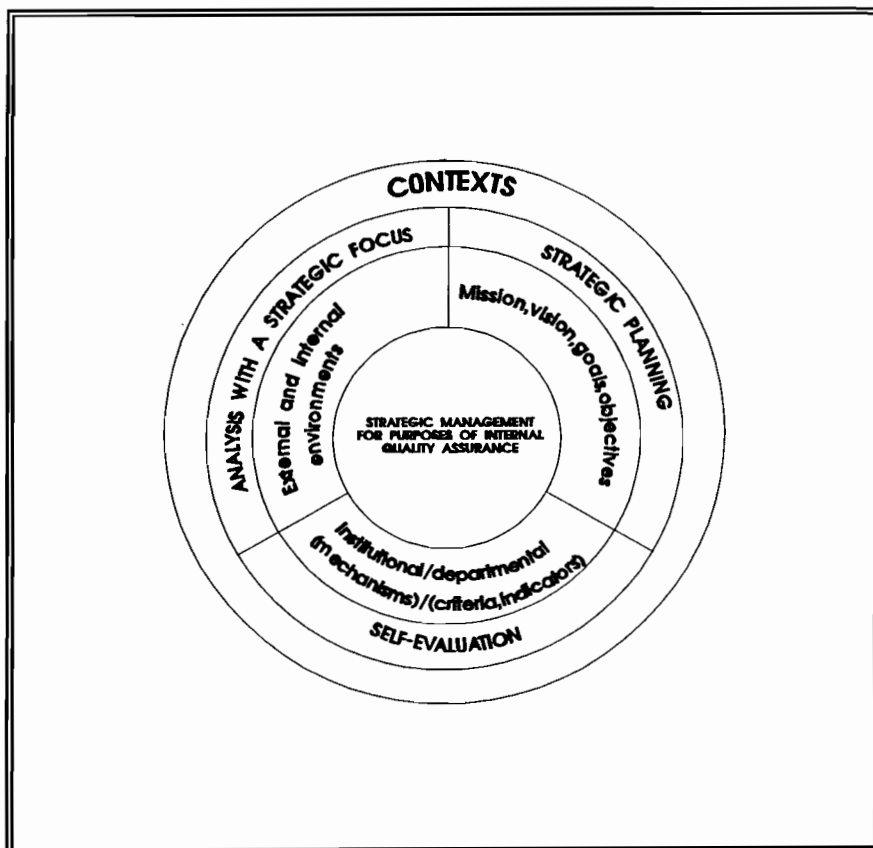
2.5.4 A STRATEGIC MANAGEMENT MODEL FOR HIGHER EDUCATIONAL ORGANIZATIONS: Strydom (1992).

As in most countries in the world, there is, also in South Africa, an urgent need for relevant and realistic quality assurance mechanisms in tertiary education. In 1989, the Unit for Research into Higher Education of the University of the Orange Free State embarked upon an extensive research project of institutional self-evaluation. On the basis of completed research and development work on leadership and management, as well as on the importance of institutional self-evaluation from a strategic point of view, a

strategic management model for purposes of internal quality assurance, was constructed.

This model for higher educational institutions (Figure 2.5) represents an approach with the emphasis on strategic management as a process, comprising three important sub-processes, namely analysis with a strategic focus, strategic planning and self-evaluation (Strydom, 1992:18).

Figure 2.5: A strategic management model for purposes of internal quality assurance in teaching and research: (Strydom, 1992:18)



2.5.4.1 Analysis with a strategic focus

In this component of the strategic management process, an analysis of the external environment (opportunities and threats) and the internal environment (strengths and weaknesses) must be done. Based on the results of the environmental analysis, predictions about the future must be made (Strydom, 1992:20).

2.5.4.2 Strategic planning

Strategic planning must look outward and is focused on keeping the institution in line with the changing environment. The processes involved in strategic planning are:

- * Formulation of the institution's mission

- * Formulation of the institution's vision

- * Goals and objectives for the future

- * Implementation of the strategic plan

2.5.4.3 Self-evaluation

The relative success of the strategic management process is evaluated by means of feedback on and evaluation of the process of strategy formulation and implementation. An evaluation plan in respect of what is being evaluated, what the achievement standards are, when evaluation will take place, and who will be responsible for the evaluation, should be stated explicitly (Strydom, 1992:25). The focus of evaluation should be on the outcomes or results of goals and objectives.

In this strategic management model, self-evaluation is regarded as part of the process of strategic management at institutional and departmental levels. The influence of self-evaluation can stimulate the revision of strategies, policies, practices, procedures and activities which are often neglected for long times. According to Strydom (1992:27), self-evaluation should precede all attempts at, and should be the basis of goal formulation.

It can be concluded that there are no singular approaches to strategic management for educational organizations. However, from the strategic management models that were discussed, it has become evident that there are common characteristics amongst different proposed models and frameworks for strategic management. The basic components of strategic management will now be discussed.

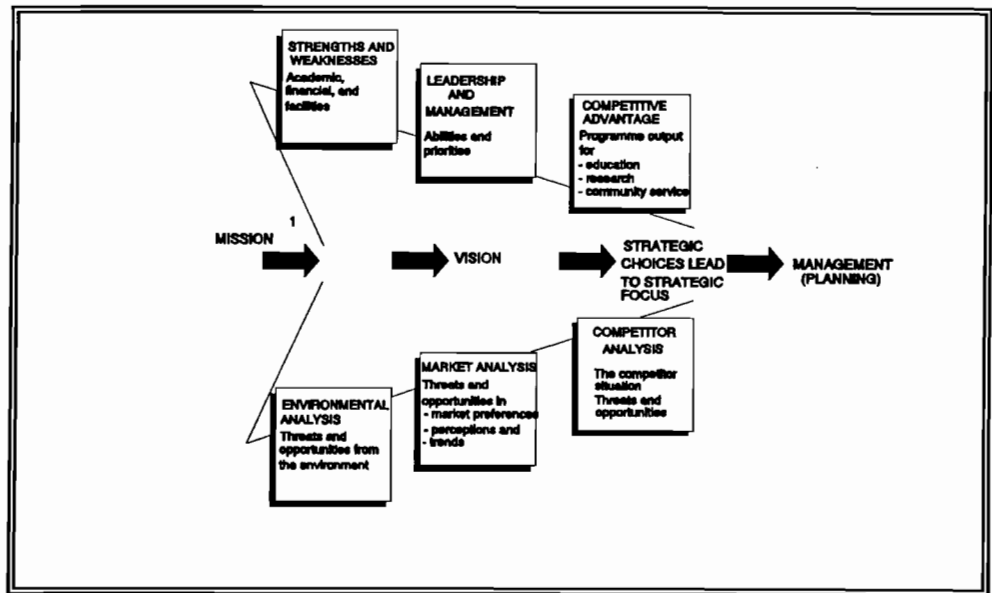
2.6 COMPONENTS OF STRATEGIC MANAGEMENT FOR EDUCATIONAL ORGANIZATIONS

Strategic management can be regarded as consisting of four major phases: environmental analysis, strategic planning, strategy implementation and control and evaluation.

2.6.1 ENVIRONMENTAL ANALYSIS

Analysis with a strategic focus is vitally important to any educational organization, regardless of where in the management process it takes place (Strydom, 1992:19). A systematic analysis includes the external as well as the internal environment of the institution. Strydom (1992:19) diagrammatically represents the process of strategic analysis in the following manner (Figure 2.6):

Figure 2.6: A flow-diagram for analysis with a strategic focus: (Strydom, 1992:19)



2.6.1.1 Assessing the external environment

(a) Orientation

Organizations are neither self-sufficient nor self-contained, but they exchange resources and are dependent on the external environment. Educational organizations take inputs from the environment, transform them into either products or services and send them back as outputs into the environment (Kaufman & Herman, 1991:24).

All educational organizations operate within two environments: the internal (micro) environment and the external (macro) environment. The external environment consists of all the conditions and forces that can affect the organization's strategic options but are beyond the organization's control (Carlson & Awkerman, 1991:168). In a stable environment there is little or no unexpected change. Changes occur infrequently and educational organizations can plan alterations well in advance. In a continuously changing environment, organizations are

seldom taken by surprise as trends are usually apparent and predictable. In turbulent environments, competitors launch new, unexpected services, laws are passed without warning and technological breakthroughs revolutionize product design. When management constantly fails to predict changes in the external educational environment, the school or college will not be able to adapt to these changes (Mauriel, 1989:38).

Since external forces, not under the direct control of the organization, are, and will always be, dominant in determining the organization's destiny, it is essential for the organization to identify its most significant targets of opportunity around which plans can be built. According to Phala (1991:117), the external environment determines the right of existence of educational organizations, and an analysis of the external environment is the most important and primary task in organizational design. The purpose of an external environmental analysis is to identify the way in which changes in the external environment can directly and indirectly influence the organization.

By analyzing the external environment, educational organizations can become aware of the levels of change, which can assist the organization in establishing an early warning system to alert it to threats that may exist and opportunities that may arise (Carlson & Awkerman, 1991:168).

It is extremely important that managers realize that the roles stakeholders play may change as organizational environments evolve and develop. The external environment of most organizations have changed substantially over the past few years and that should serve as a motivating factor to educational managers to analyze their

organization's external environments in order to survive and grow in future. Unless an organization's strategy is well matched to the full range of external situational considerations, its suitability is suspect (Carlson & Awkerman 1991:186).

According to Thompson and Strickland (1987:57), an external environmental analysis requires the educational organization to gather and assess information concerning changes and trends in a number of areas within the external environment. It is, however, true that educational organizations are, at present, faced with an external environment comprising of a vast range of stakeholders. The diverse perspectives of these different role-players, lead to difficulty in constructing one, acceptable, future education model and strategies, according to trends in the external environment.

In order to identify changes and to develop future strategies accordingly, scenario planning is of vital importance as it attempts to limit the infinite number of possibilities by determining the main performers and the rules (Kroon, 1990:96).

(b) Scenario planning

A scenario is a systematic description of the future in which the possible alternatives are identified. Scenario planning starts from the premise that the future is not what it used to be and that organizations have to be sensitized to the possibility of sudden change that can completely upset the environment in which it operates (Sunter, 1992:1). This can be done by anticipating and adapting to environmental changes in ways that provide new opportunities. Information about changes in the basic social, economic, political and technological variables is obtained through detailed scenario sketches, describing end states and defining what the organization should look like at an intermediate point in the future. Scenario writing should

describe in detail what one would expect to see, hear and, even, feel in the projected situation at a specific point in time (Sunter, 1992:5).

It has become an integral part of strategic management to determine changes in the external environment of organizations and to present it by means of detailed scenario sketches. As a component of the strategic management process, scenario sketching is quite separate from strategic planning. Scenario sketching produces challenging examples of how the external environment could change, while strategic planning responds with plans of how the organization would react to those changes (Sunter, 1992:5).

The aim of the scenario approach is to enable an organization to picture and make assumptions about future events and trends which may affect the operation of the organization. According to Burnes (1992:106), scenario sketching can be regarded as the building of different possible pictures of the future as a means of improving understanding of the long-term global, regional or national consequences of existing or potential trends and their interaction.

A scenario sketch, being a story of what may happen in the future, is not a forecast of what will happen. Scenario sketches do not have to be right or wrong - they simply have to predict future events closely enough to guide present actions in a valid and purposeful way.

A natural reaction towards uncertainty is anxiety and behaviour aimed against desired change (Jenkins, 1991:142). A lack of information about the projected nature of the changed state, leads to misconceptions, resistance to change and numerous reasons why goals cannot be achieved (Basson *et al.*, 1991:650). As a detailed scenario sketch allows staff members of the educational organization to visualize their own role in the process of change as well as in improving employee compliance, optimism often replaces pessimism due to

uncertainty about dealing with the future. Detailed scenario sketches clarify the reasoning behind change and reduce speculation about future actions which may affect individuals.

A detailed scenario sketch draws management away from attacking symptoms and solving problems, and focuses the attention on defining what is necessary to make the organization effective. By setting out future organizational conditions, causes of current symptoms can be eliminated and new problems can be avoided. When top management devotes attention to long-range goals, describes in detail the type of organization that they regard as desirable, realistic and attainable in future, the insights that they gain will lead to the development of more effective strategies and actions in the educational organization (Beckhard & Harris, 1987:49).

Change could either be positive and offer opportunities or it could be negative and carry risks. Scenario sketching is essential if educational organizations intend to cope effectively with uncertainties in the external environment surrounding their particular spheres of operation (Sunter, 1992:3).

According to Thompson and Strickland (1987:57) the framework for an external environmental analysis, aimed at scenario sketching, relies on the answering of the following questions:

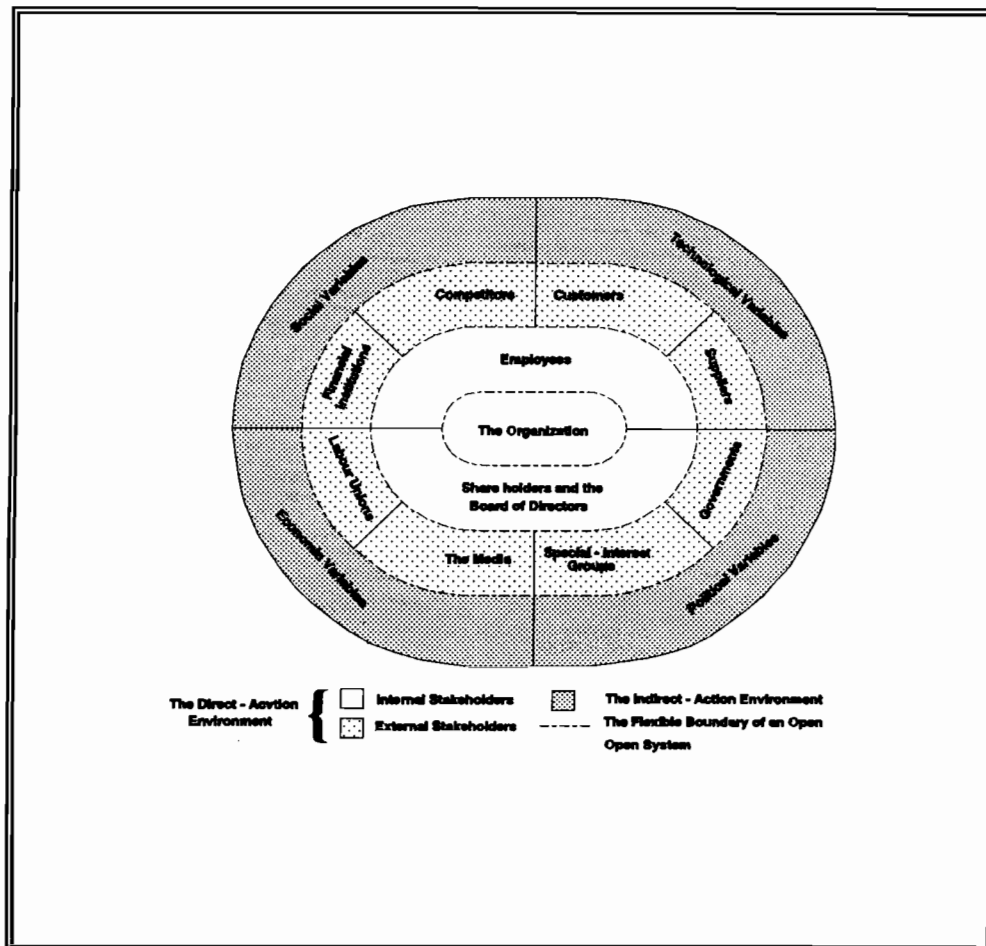
- * What are the demographic forecasts for the local area, the state and the nation?
- * What are the likely shifts in the public and private lifestyles, values and attitudes to authority?
- * What trends can be found in the legal rulings in terms of education?

- * What are possible political developments in the country?
- * What is likely to develop in the field of technology?
- * What are the main economic characteristics of the organization?
- * What factors are driving change in the environment?
- * What competitive forces are at work in the environment?
- * Which organizations are in the strongest or weakest competitive positions in terms of future education?
- * What factors will determine competitive success or failure?
- * How attractive is the educational organization in terms of its above-average performance?

The collective answers to these questions will lead to the formulation of different scenarios. Scenario sketches lead to better understanding of the organization's surrounding environment and form the basis for matching the strategy to changing educational conditions (Dippenaar, 1994:225).

According to Stoner & Freeman (1992:63) an environmental analysis, aimed at scenario sketching, should include both the direct-action and indirect-action elements of the external environment, as schematically presented in Figure 2.7

Figure 2.7: The direct-action and indirect-action environments of an organization:
(Stoner & Freeman, 1992:63)



Stakeholders and elements of the direct-action environment of organizations directly influence the organization's activities. Stakeholders in the direct-action environment can include unions, competitors, clients, special interest groups and government agencies. Indirect-action elements such as the economy, technology and politics of a society affect the climate in which the organization operates and have the potential to become direct-action elements. An element's practical impact on an organization determines whether it is a stakeholder and, thus, a component of the organization's direct-action environment. An environmental analysis helps the organization to

adjust to changes in the indirect-action environment and to anticipate and influence activity in the direct-action environment (Stoner & Freeman, 1992:192).

Research is vital in determining, clarifying and evaluating potentially important developments as this will form the basis for alternate plans for the future (Williams, 1991:41). It is important that educational organizations develop a list of those factors in the indirect and direct-action environment which are truly crucial to its operation.

(c) Monitoring the indirect-action environment of educational organizations

The indirect environment of an educational organization is composed of a set of forces that originate beyond, and usually irrespective of, the organization's operating situation. It presents the organization with opportunities, threats and constraints, while the organization rarely exerts any meaningful reciprocal influence (Stoner & Freeman, 1992:63).

The most important elements of the indirect-action environment are the following:

* Economic variables

General economic conditions and trends are critical to the success of any educational organization as it affects the economic and financial situation that supports the institution (Stoner & Freeman, 1992:78).

According to Kaufman and Herman (1991:100) finance-related data from sources such as state funds, private contributions, interest on investments, student tuition, fund-raising and other income-related activities, must be monitored as they provide the basis on which a

tertiary institution functions. The ultimate survival and growth of specifically tertiary institutions, are, in most cases, determined by the amount of funds available. Employment, investment by key industries, national manpower needs or demands, labour force characteristics, disposable income and exchange rates have an effect on most organizations as well as on tertiary institutions (Phala, 1991:117). If funds are not sufficient, employees must be released, programmes must be cut or student fees drastically increased to compensate for insufficient funds.

By scanning finance-related data, the strategic planners can project the tactics necessary to reach the established strategic goals.

* Political variables

Political variables are those factors that may influence an organization's activity as a result of the political process or climate. Political trends include, especially, trends affecting local, state and national thinking about what should be the ownership, control and accountability mechanisms for educational organizations, what services they should provide and who should fund those services (Mauriel, 1989:53). Political variables concern questions such as: "Will a government adopt a lenient or a rigorous attitude towards the management of an educational organization with which it is dealing? "and" will government policy inhibit or encourage management's freedom to act?".

In the political process, competition exists between different interest groups, each seeking to advance its own values and goals. Although not all of these interest groups are always direct stakeholders in an organization, they all interact with one another and even the non-stakeholders may influence the organization. Often, the political climate ranges from support of an organization

to a climate of suspicion and distrust, especially when the position of an educational organization differs from that which the interest groups regard as in public interest (Stoner & Freeman, 1992:79).

Political developments can have either a positive or negative effect on educational organizations and the consequences depend upon the support or non-support that they provide to the organization. Trends and projections of these developments could allow the strategic planners of educational organizations to design intervention tactics that would lead to the support of the strategic plan of the organization (Kaufman, 1991:101).

* Technological variables

Educational research and development, computerization, media services and information technology have an effect on educational institutions (Phala, 1991:117).

According to Mauriel (1989:57), most of education's functions of knowledge transmission and skills development can be adequately assumed by the use of interactive technology. If knowledge transmission and skills development are basic tasks of an educational organization, these organizations should investigate development in technology to avoid obsolescence and to promote innovation.

* Social variables

Emerging social issues, attitudes and lifestyles are powerful instigators of organizational change. Consumer concerns can force an institution to re-examine its product in order to satisfy customer needs (Thompson & Strickland, 1987:64).

Social variables pertain to values of and attitudes to education, its management and usage. They involve life-styles and attitudes to vocationalism, intellectual pursuits, family structures, discipline, attendance and ideas about the social role of educational organizations (Mauriel, 1989:57).

(d) Monitoring the direct-action environment of educational organizations

Stakeholders in the direct-action environment fall into two categories. Internal stakeholders include groups and individuals (staff) who are not strictly part of the organization's environment but for whom an individual manager is responsible. External stakeholders, such as clients, government and special interest groups, include groups or individuals in the organization's external environment that affect its activities (Stoner & Freeman, 1992:64).

The most important internal stakeholders are the following:

* Employees

Because of demographic factors, the nature of the work force has changed in most educational organizations. At the same time the skills needed by employers are changing and better trained, better educated and more flexible employees are required (Stoner & Freeman, 1992:73). Changing values represent a trend in the workforce towards more autonomy, more flexibility and a greater demand for meaningful work (Beckhard & Harris, 1987:13).

* Shareholders and the board of directors

Traditionally, shareholders' basic interests have been in the return on their investment and they have left the actual operation of the educational organization to the management team. Recently, these

shareholders have been demanding voting rights at management meetings and organizations have been forced to include more outsiders on their boards of directors (Stoner & Freeman, 1992:73).

The most important external stakeholders include the following:

- * Customers or clients

Customers exchange resources for an organization's services. Usually, strategic planners analyze the potential client's conditions and direct a marketing campaign based on this analysis. Changes in client needs and emerging new ways of using the product (student or service) could force adjustments in client service rendering and could open the way towards marketing the institution's product in an altered way (Thompson & Strickland, 1987:63).

It is important that educational organizations determine whose or what needs they are addressing. According to Kaufman and Herman (1991:7), educational organizations have as their primary clients the society and community in which they function. Since these organizations are evaluated in terms of their contributions to everyone's benefit, the most rational approach for planning would be the society-as-client mode.

The task of making an organization's strategy socially responsible, means conducting organizational activities within the bounds of what is considered ethical and in the interest of the general public, responding positively to emerging societal expectations and priorities, demonstrating willingness to take action ahead of regulatory confrontation, balancing stockholder interest against the interest of society and being an acceptable organization within the community.

In developing a profile of present and prospective clients, managers are better able to plan the strategic operations of the organization, anticipate changes in the market and allocate resources supporting forecast shifts in demand patterns. Successful new product introductions strengthen the organization's position, usually, at the expense of organizations who adhere to their old products or are slow to adapt to changing client needs (Thompson & Strickland, 1987:63).

* Suppliers

Organizations take inputs from the environment and use them to produce outputs (Kaufman, 1991:22). What the organization brings in from the environment will, to a great extent, determine the quality of its final product (Stoner & Freeman, 1992:64). Knowledge of the potential student's ability, attitude, expectations and beliefs can eliminate unrealistic strategic options.

* Government

According to Thompson and Strickland (1987:42) that which an organization can or cannot do in terms of strategy, is always constrained by what is legal and by what is in compliance with government policies and regulations.

Government decisions regarding creation and accessibility to government owned resources will affect an educational organization's strategies (Dippenaar, 1994:24).

Government demand for products and services can create, sustain, enhance or eliminate many opportunities as government usually operates as an almost unbeatable competitor in the educational marketplace (Kaufman, 1991:100).

Thus, knowledge of government strategies for education, gained through assessment of the external environment, can help an organization to avoid unfavourable confrontation with the government as a competitor.

* **Special interest groups**

Special interest groups use the political process to establish their position on a particular issue and may oppose an educational organization in its operation. While government may become less of a factor. Special interest groups can become very powerful. Dissatisfied clients can either leave and take their education elsewhere, or voice their complaints through special interest groups. According to Stoner and Freeman (1992:69) exit can cripple an organization by not allowing managers enough time to make the necessary changes.

* **Competitors**

Competitive strategies deal with an educational organization's competitive approaches for achieving market success, its offensive moves to gain advantage over other educational organizations and its defensive moves to protect the organization's position. According to Thompson and Strickland (1989:76), a powerful competitive strategy used by one organization intensifies competitive pressure on the other organizations. An organization's assessment of the competitive environment directly affects how it will attempt to position itself and what its basic competitive strategy should be. When competitive conditions intensify, an organization must respond with strategic action to protect its own position. A strategist should, thus, be a student of competitive conditions.

As a rule, competition amongst organizations is a composite of five competitive forces (Thompson & Strickland, 1987:66):

- the rivalry among competing suppliers in the educational environment;
- the attempt of other educational organizations to win clients to their own substitute services;
- the potential entry of new competitors;
- the bargaining power of key suppliers; and
- the bargaining power of buyers of the product.

The goal of strategic management is to find a position where the educational organization can best defend itself against these forces or can influence them in its favour. Phala (1991:117) sees competitive variables as target student population and manpower needs/demands, programmes and curricula, location and service areas, facilities, staff and management resources, tuition and other fees and enrollment capacity.

To cope effectively with competitive forces, strategists have to craft competitive approaches that will insulate the organization from the five competitive forces, influence the competitive rules in favour of the organization and provide a strong and secure position of advantage from which to take part in competition as it unfolds (Jenkins, 1991:128).

- * Other stakeholder groups

Stoner and Freeman (1992:71) state that each organization has a

host of individual stakeholders that constitute its external environment. A complex network of relationships links stakeholders with each other as well as with the educational organization. A particular issue can unite several stakeholders in support of an organization or in opposition to the organizational policy. To ensure the survival and growth, educational organizations have to keep the relationship among themselves and their stakeholders in balance in both the short- term and the long-term.

After completion of the external environmental analysis, the overall external situation of the organization must be reviewed and the major determinants of the organization's future survival and growth must be identified. Conclusions about the relative importance and impact of the major determinants which will serve as the cornerstones for building the educational organization's future strategy, can then be indicated through detailed scenario sketches.

2.6.1.2 Assessing the internal environment

Regardless of opportunities and threats in the external environment of an educational organization, a strategy must be based on the thorough analysis of the organization's internal strengths and weaknesses. Educational organizations need to identify those internal factors on which the success of the organization will most likely depend.

An internal environmental analysis determines the educational organization's performance capabilities based on existing and accessible resources. This analysis will involve the organization's teaching programmes as well as community service, staff, finances and facilities (Strydom, 1992:20). Thompson and Strickland (1987:87) state that an internal environmental analysis centres around the following basic questions, namely:

- * How effective has the present strategy been?
- * How effective will that strategy be in future?
- * What are the organization's strengths and weaknesses identified through a "swot" (strengths, weaknesses, opportunities and threats) analysis?
- * Is the organization competitive in terms of cost, such as student fees?
- * How strong is the organization's competitive position?
- * What strategic issues does the organization face?
- * What will the effectiveness of the selected alternative strategies be in future?

A thorough internal assessment of the organization is essential for developing a successful organizational strategy. An internal environmental analysis contrasts the historical successes and values of the organization with the organization's current capabilities in an attempt to identify the future capabilities of the organization.

According to Thompson and Strickland (1987:50) a good strategy can be described as a strategy that is well matched to the organization's internal and external situation and that leads to sustained competitive advantage. When all the most important strengths, weaknesses, opportunities and threats have been placed in order of priority, a strategy must be chosen.

2.6.1.3 Strategic choice

Designing a strategy to optimize opportunities identified by assessing the environment, usually means questioning old methods, exploring unfamiliar

environmental grounds, facing up to an objective evaluation of strengths and weaknesses, forcing important changes on people in the organization and on organizational arrangements, and taking high risks.

Several factors influence the choice of a strategy:

- * Role of the past strategy

Reviewing the past strategy is the point where the process of the strategy choice begins. The older and more successful a past strategy has been, the more difficult it is to replace and to change it, because organizational momentum keeps going (Kaufman & Herman, 1991:100).

- * Degree of the organization's external dependence

If an organization is highly dependent on one or more environmental factors, its strategic alternatives and final choice must accommodate this dependence. In the case of critical external dependence, organizations must, sometimes, include representatives from the external environment in their strategic choice process (Kaufman & Herman, 1991:101).

- * Attitudes towards risk

Where attitudes towards risk are favourable, the diversity of strategic choices expand and high risk strategies are acceptable and desirable. Where managers are risk-averse, the diversity of choices is limited and risky alternatives are often eliminated even before strategic choices are made. Managers of higher achieving organizations display a greater willingness to take risks than their counterparts in lower achieving organizations (Jenkins, 1991:138-139).

- * Internal political considerations

Individuals in organizations have reasons to support some alternatives and to oppose others. Formal and informal negotiating and bargaining between individuals, sub-units and coalitions are indispensable mechanisms for organizational co-ordination as it will result in greater commitment and a more realistic strategy (Jenkins, 1991:142).

- * Timing considerations

Any good strategy may be disastrous if undertaken at the wrong time. Strategic decisions are influenced by external time constraints, which limit analysis and evaluation. Strategic choice will likewise be influenced by the match between management's current time horizon and the payoff time associated with different choices (Jenkins, 1991:143).

- * Competitive reaction

When weighing strategic choices, the perceptions of likely competitor reactions to different options must be incorporated.

- * Organizational strengths, weaknesses and competitive capabilities

An organization's core strengths are an important strategy-making consideration, because of the skills and capabilities they provide in capitalizing on a particular opportunity, the competitive edge they may give in the marketplace and the potential they have to become a cornerstone of strategy. Strategies whose success depend on what the organization does poorly or has not done before should be avoided (Thompson & Strickland, 1987:82).

- * Shared values and company culture

An organization's strategic choices and actions typically reflect its cultural traits and managerial values. Cultural values and beliefs become so embedded in management's thinking and actions that they determine how the organization responds to external events (Kaufman & Herman, 1991:50).

2.6.2 STRATEGIC PLANNING

Strategic planning is the step in the process of strategic management where it is determined how to reach the institution's long-term goals with the expected available resources.

The component of strategic planning involves a definition of the educational organization's mission, goals and objectives.

2.6.2.1 Defining the organizations mission

The mission of an organization is the fundamental unique purpose that separates it from any other organization of its type and identifies the scope of its operation. A well conceived mission prepares an educational organization for the future as it establishes long-term direction and indicates the organization's intent to stake out a particular position.

The mission embodies the organization's philosophy, strategic decision makers, implies the image of the organization, tries to project, reflects the organization's self-concept, indicates the primary product or service areas and primary clientele needs that the organization will attempt to satisfy (Rosser and Penrod, 1991:15).

According to Carlson and Awkerman (1991:170), a mission statement should begin with an analysis of the institution's activities and clientele and this information should be used by the organization to set operational

priorities and funding levels for its activities.

Thompson and Strickland (1987:21) as well as Mauriel (1989:135) distinguish three distinct aspects in developing an organization's mission:

- * Defining the primary task of an organization by taking into account who its clients or beneficiaries are, what the needs of those clients are and how the organization intends to satisfy those needs.
- * Deciding when to change the mission and when to alter the organization's strategy course by continuously asking: "Into what new directions should we be moving now to be ready for the changes we see coming in the area of education?"
- * Communicating the mission in a way that is clear, exciting and inspiring in order to induce employee buy-in and to convey a sense of organizational purpose.

A well-conceived, well-said mission statement has real managerial value as it crystalizes the organization's long-term direction, keeps the direction-related actions on the right path, conveys an organizational purpose and motivates employees. It helps management to avoid visionless and rudderless management and it helps an organization to prepare for the future.

Whether or not explicitly stated, an organization's mission reflects its intention to secure its survival through sustained growth. In defining the organization's mission, strategic managers have to recognize and acknowledge the legitimate claims of other stakeholders on the organization. These include the teaching faculty, administrative staff, students, parents, competitors, suppliers, state legislators, special interest groups and others (Carlson & Awkerman, 1991:168). When an organization attempts to define its mission to incorporate the interests of

these groups, broad generalizations are insufficient. The following steps must be taken:

- * identification of the client
- * understanding specific claims with regard to the school or college
- * reconciliation of and assigning priorities to claims
- * co-ordination of claims with other elements of the mission

2.6.2.2 Formulating objectives

Kaufman and Herman (1991:114) describe a mission objective as a precise statement of where the organization is heading, including criteria, stated as outcome, output or product, for assessing when the objectives have been reached. Objectives are an organization's commitment to problem-solving and to achieving specific performance targets by a certain deadline (Spanbauer, 1992:94).

Every unit (department or subject) in an educational organization needs concrete, measurable performance targets indicating its contribution to the organization's overall objectives. A useful objective should state: what the result is that must be achieved; who or what will display the result; under what conditions will the result will be observed and what criteria will be used to determine the success or failure of the objective (Kaufman & Herman, 1991:116). When staff members are held accountable for achieving detailed objectives, it leads to a result-oriented climate with each part of the organization striving to achieve results that will move the whole organization into the desired direction (Strydom, 1992:38).

It is important that educational organizations set long-term objectives as well as short-term objectives which are eventually achieved by the grand strategy.

(a) Long-term objectives

Long-term goals form the basis for the existence and operation of the organization. Explicit long-term objectives push management to weigh the impact of today's decisions on the longer term performance of the organization (Spanbauer, 1992:94).

According to Thompson and Strickland (1987:30) a number of criteria should be used in preparing long-term objectives, namely:

- * acceptability
- * flexibility
- * measurability
- * motivation
- * suitability
- * understandability
- * achievability

(b) Short-term objectives

Short-term objectives indicate the immediate outcomes and improvements that management desires as well as problem-solving activities that are ongoing in the various school departments or work units (Spanbauer, 1992:94).

These objectives indicate the speed at which management wants the organization to progress, as well as the level of performance being aimed for over the next two or three periods (Thompson & Strickland, 1987:30).

(c) Grand strategies

A grand strategy is the general plan of major actions through which an organization intends to achieve its long-term and short-term objectives in a dynamic environment (Spanbauer, 1992:94). Grand strategies are meant to guide the acquisition of resources as well as its allocation over a long period of time. These global strategies aim to position the organization in the competitive marketplace. As such, it provides a galvanizing, central focal point for decision-making and forms the basis of coordinated and sustained efforts directed towards achieving objectives.

2.6.3 STRATEGY IMPLEMENTATION

Implementing a strategy is mainly an action-driven, administrative task which involves the processes of operationalizing and institutionalizing the strategy:

2.6.3.1. Operationalizing the strategy

Operationalizing the strategy is successfully initiated in three interrelated stages, namely:

- (a) Identification of measurable, mutually determined annual objectives.

The systematic development of annual objectives provides a meaningful focus through which managers can translate long-term objectives and grand strategies into specific action. Well-developed annual objectives also provide a basis for strategic control (Basson *et al.*, 1991:649).

- (b) Development of specific functional strategies

Functional strategies provide more specific details about how key functional areas are to be managed in future as they organize and activate specific sub-units of the organization to pursue the organization's strategy in its daily activities (Kroon, 1990:180).

- (c) Development and communication of concise policies to guide direction

Policies are directives designed to guide the thoughts, decisions and actions of managers and their sub-ordinates in implementing an organization's strategy. They serve to increase effectiveness by standardizing routine decisions and by controlling the discretion of managers and staff in implementing operational strategies (Kroon, 1990:180).

2.6.3.2 Institutionalizing the strategy

The strategy must permeate the day to day life of the organization if it is to be effectively implemented. The organization's structure, leadership and culture provide the fundamental, long-term means for institutionalizing the organizations strategy.

- (a) Structural considerations

Organizational structure is necessary in implementing a carefully

formulated strategy. A structure is a division of tasks for efficiency and clarity of purpose and coordination between the interdependent parts of the organization to ensure organizational effectiveness (Carlson & Awkerman, 1991:172). It is through structure that strategists attempt to balance internal efficiency and overall effectiveness within a broader environment (Kroon, 1990:179).

(b) Linking structure to strategy

The keys to successful strategy implementation are to unite the total organization behind the strategy and to see that every relevant activity and administrative task is done in a manner that matches the requirements for first-rate strategy execution (Thompson and Strickland, 1987:215).

(c) Organizational leadership

Within the organizational structure individuals, groups and units are the mechanisms for organizational action and the effectiveness of their actions is a major determinant of successful strategy implementation. Leadership affects and encourages or discourages effective action (Basson *et al.*, 1991:652).

(d) Organizational culture

An organization's culture influences employees and managers in their approach to problems, in how they deal with stakeholders and how they conduct activities presently and in the future. Culture helps employees to fill in the gaps between what is formally decreed and what is actually taking place (Kaufman & Herman, 1991:69).

2.6.4 CONTROL AND EVALUATION

The fundamental purpose of strategic management is to position the educational organization effectively and to guide it within a changing environment. A process for evaluating strategy execution is, therefore, essential if the strategy is to be successfully implemented and adjusted to a changing environment. Monitoring and controlling methods, to ensure that the strategic plan is followed, should, therefore, be provided (Kaufman & Herman, 1991:54).

Control systems, linked to the organization's objectives and strategies, require the systematic evaluation of performance against predetermined standards to maximize the contribution of the control system in strategic management. Short and long-term performance considerations must be integrated to ensure performance consistent with the organization's strategy and to provide a basis for monitoring future performance against objectives linked to long-term strategic outcomes (Carlson & Awkerman, 1991:172):

According to Strydom (1992:25), an evaluation plan in terms of what is being evaluated, what the evaluation criteria and indicators are, how evaluation will be done, when evaluation will take place and who will be responsible for the evaluation, should be stated explicitly. These plans should focus on results or outcomes of goals and objectives and should stimulate a process of self-evaluation.

Conclusions and recommendations that ensue from the evaluation process should be action orientated, thus, they must contain plans that make their implementation possible.

2.7 CONCLUSION

In this chapter, strategic management and its components have been discussed. The vital role of an external environmental analysis as a prerequisite

for strategic planning has been identified. It has also been indicated that no educational organization can proceed with strategy development unless it has a clear sense of the emerging trends and opportunities in the external environment in which it operates.

It has been indicated that education is currently in a period of transition and teacher training colleges are faced with a vast number of role players with different perspectives on future education. Sensitizing teacher training colleges to emerging trends and opportunities in their external environments by means of structuring different future education scenarios, will be of assistance in repositioning these organizations for the future.

In chapter three, two different future education scenarios, based on an analysis of the most prominent determinants in the external environment of teacher training colleges, will be discussed.